GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1000
ANSWERED ON:23.11.2007
IRREGULARITIES IN HEALTH INSURANCE
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Will the Minister of FINANCE be pleased to state:

(a) whether private hospitals are manipulating the market due to mediclaim policy of New India Assurance Company Ltd. & others;

(b) whether Government has found irregularities of payment system by health insurance companies;

(c) if so, the details thereof; and

(d) the action taken by the Government thereon ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE(SHRI PAWAN KUMAR BANSAL)

(a) to (d): Instances of hospitals over charging the medi-claim policyholders as compared to uninsured patients have been noticed. This is mainly due to lack of accreditation of hospitals and lack of standardization of patient care facilities. To curb this practice of overcharging, insurers are taking necessary steps in coordination with Third Party Administrators (TPAs) and other stake holders for bringing about standardization of health care services. They have already introduced measures like co-payment/excess clause, sub-limits for room rent, Intensive Care Unit charges, diagnostic charges, surgeon`s fees etc.Insurers have also received complaints from medi-claim policy holders that TPA`s have reduced their claims. To handle such complaints, the companies have a well established system of redressal of grievances. Insurance Regulatory and Development Authority also has a system of grievance redressal for attending to complaints received from insuring public directly. If dissatisfied with the redressal, the complainant can approach Insurance Ombudsman/Consumer Fora/Civil Courts.